

On Monday, as I mentioned a few minutes ago, we will begin debate—for the first time, I might add, in this Chamber—on a brand new appropriations bill; and that is the Homeland Security appropriations bill. A lot of my colleagues have not thought about it in those terms, but because of our response and reorganization—our response to, in some part, 9/11, but our reorganization of the Homeland Security Department—we now have a Homeland Security appropriations bill, and we will be addressing that beginning Monday.

And, yes, each time I either open or close the Senate it seems people say it is a challenging schedule. It is a challenging schedule. Indeed, to complete all the appropriations bills, and to send them to the President before the beginning of the new fiscal year, will be a real challenge. But it is our responsibility to do so.

As the distinguished ranking member of the Senate Appropriations Committee reminds us on a regular basis, one of our most basic responsibilities of the Congress under article I of the Constitution is that "No money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law."

Thus, we take this fundamental responsibility seriously. And thus the discipline and the focus, the patience, the collegiality, the cooperation must all be reflected in order to accomplish that task.

There is reason to be optimistic that for the first time in almost a decade we can complete action on all of the 13 appropriations bills and have them signed into law before the new fiscal year begins October 1. Again, when we accomplish that—if we accomplish it—but when we accomplish that, it will be for the first time in almost a decade.

That optimism stems from a number of facts: first, from the fact that having adopted a budget resolution earlier this year, we now at least begin this appropriations process with a defined top-line spending level for all the appropriations bills next year, that top line being \$784.6 billion.

That optimism is also a result of the hard work of the chairman of the committee and the ranking member of that committee, as well as others, to establish very early a general understanding with the administration how the President's priorities and the congressional priorities will be considered.

That optimism that we can accomplish completion by the end of the fiscal year also stems from the fact that of the 13 appropriations bills, the Senate and House's initial allocations are identical for 7 of the bills, and these 7 bills, with identical allocations, represent three-quarters of all the appropriations for next year.

A lot of this is made possible by a very close working relationship with the House of Representatives. Speaking of the House, I am optimistic that before they recess in about a week or 7

days from today or possibly tomorrow, they will have completed 11 of the 13 bills. That will have been a major accomplishment and one that will expedite going to conference quickly to resolve any differences with the Senate bills in September.

Finally, that optimism is further strengthened by the fact that because we have a budget in place this year, because we passed a budget and we have a budget in place right now, we also have the tools to enforce the spending levels that are assumed in that budget.

Over this week we have made much progress on the appropriations process. We have begun the process in earnest. We have achieved a good first step. Even with this optimism, I know it will not be easy. After the August recess, we will need to complete action on the remaining bills in the Senate and then conference those with the House.

We also recognize that in discussion of these appropriations bills, there are many demands—we saw a number of them play out today—in the bills that come before us. We will see many very good programs, many very worthy programs that require funding. But we will also see programs—and will be talking about that on the floor—that were simply created at a different time in our history. Or we will be talking about programs that simply were created but have not met their goals, programs where continued funding is simply not the most effective use of taxpayer dollars.

As we saw the deficit figures come out over the course of the last week, again and again we said, there are certain things that can be done. It is to grow the economy. It is to reap the benefits of the jobs and growth package that we passed on the Senate floor with those midterm and long-term effects of growing the economy, creating jobs. Thirdly, there is the fiscal discipline that does demand tough choices, that does demand tough decisions.

We are committed in this body to slowing rates of Government spending, and indeed, if you exclude the spending in the war supplemental last spring, the appropriations for next year will represent less than a 3-percent increase over the current year.

Spending will be tight. Many worthy programs and initiatives may not see the increases they have enjoyed in many recent years. Recent years' appropriations have grown at an annual rate of over 7 percent. That simply cannot be tolerated. It is unacceptable today, growing at 7 percent. That is faster than the economy. That is faster than families' paychecks. We simply will not do that. We cannot do that. We need to engage that fiscal discipline.

Again, if you take out that war supplemental from last spring, the appropriations for next year will be less than a 3-percent increase over the current year. It is that type of fiscal discipline that we will demonstrate.

I do know we can live within our budget that we adopted earlier this

year. I look forward to working with the Democratic leader and the leadership of the Appropriations Committee to fulfill our responsibility under the Constitution to enact appropriations bills and to do so in an orderly and timely manner.

Our work this week demonstrates that disciplined, orderly manner again in a timely way. I thank my colleagues for their cooperation, for their patience as we, under the leadership of Chairman STEVENS, proceed in this disciplined manner.

PRIME MINISTER TONY BLAIR

Mr. FRIST. Mr. President, we in the Senate today had the experience of participating in the joint meeting in the House Chamber listening to Prime Minister Tony Blair. I opened the Senate this morning pointing out that we would be welcoming and honoring our distinguished visitor in this joint meeting. I mentioned that he is the fourth sitting Prime Minister to address a joint session of the Congress, preceded only by Winston Churchill, Clement Atlee, and Margaret Thatcher, three of histories great leaders.

Today's historic tribute gave us the opportunity to reaffirm our abiding friendship and our deep respect both for the man, Prime Minister Tony Blair, as well as the people of the United Kingdom. Our two nations have stood shoulder to shoulder to defend the free people around the world.

We had the opportunity to meet with the Prime Minister before the address. We were able to directly express our appreciation to the Prime Minister and for him to reflect to the people of Britain for their courage and their resolve.

As you sat in the majestic House Chamber and listened to those words, I think we were all affected very directly because it helped elevate the debate which seemed to have mired down in part of the way it has been handled by the media but also the way it has been handled by a number of our colleagues both in this Chamber and in the other Chamber.

The words from Tony Blair really did elevate it. There is just one passage I want to quote from what the Prime Minister said today in the Chamber:

And I know it's hard on America, and in some small corner of this vast country, out in Nevada or Idaho or these places I've never been to, but always wanted to go. I know out there there's a guy getting on with his life, perfectly happily, minding his own business, saying to you, the political leaders of this country, "Why me? And why us? And why America?"

And the only answer is, "Because destiny put you in this place in history, in this moment in time, and the task is yours to do."

The Prime Minister continued:

And our job, my nation that watched you grow, that you fought alongside and now fights alongside you, that takes enormous pride in our alliance and great affection in our common bond, our job is to be there with you.

You are not going to be alone. We will be there with you in this fight for liberty. We

will be with you in this fight for liberty. And if our spirit is right and our courage firm, the world will be with us.

I mention this passage because, as we sat there for that 30 minutes or so, this passage where he mentions that "destiny put you in this place in history" is one that just struck a chord.

I contrast that with the debate that has seemed to play out in the media over the last week in regard to the quality and integrity of the case made by President Bush for the removal of Saddam Hussein's regime.

I have to say, as I have heard people comment on the case that has been made for this war, I have been increasingly disturbed. In part it is because of the sound of shaking confidence by people who intend to shake the confidence, or who want to instill or inject into the American people self-doubt about America's mission in Iraq.

But when you stepped back and listened to the Prime Minister today, all of a sudden you realized that a bloody tyrant no longer rules in Iraq. It made you realize that a man who, without regret, murdered members of his own family, as well as tens of thousands of his own citizens, has now been removed from power. The perpetrator of one of the past century's most gruesome crimes against humanity—the use of chemical weapons on thousands of innocent Kurds—no longer is free to pursue such weapons. The aggressor in the gulf war who, a decade ago, invaded his neighbor, only to be driven out by a mighty coalition, no longer threatens the volatile region of the Middle East.

Now all of this second-guessing is perplexing to me. If you look over the last week, we have had things mentioned like Watergate, which was referenced by candidates eager for the next election. You hear candidates using words like "impeachment" being laid upon the table. We have seen, over the last week, special e-mails going out from party headquarters, saying: More money needed to fan the flames of controversy.

Indeed, we know all these campaigns have begun, and there are many people who seem to be eager to topple the leader. I mention all that because of the contrast in what we heard today from Tony Blair, who elevated the facts and the greater cause of liberty, in contrast so much to what our media and the candidates have focused on. This whiff of politics is in the air.

What bothers me about it is that there is a cost if we get in and play a game of politics at this juncture in history. As I listened to the Prime Minister today, I thought, what does this do to the reputation of our country, to the position of our President? Prime Minister Tony Blair helped put that into perspective today.

Indeed, the record is replete with the case against Saddam Hussein, such as the mass graves. Our colleagues who have just come back from Iraq so vividly described standing at these mass graves the size of football fields—thou-

sands of graves exposed. And really only now are the thousands of widows and mothers and orphans—all victims, also—able to openly grieve. Who will ever forget the pictures we have seen of those desperate citizens of Baghdad, actually clawing at the ground in a vain search for these hidden prisons that might hold their loved ones. You see these images of mass graves.

Our colleagues have come back—and we have had two delegations over there, and another one will be going shortly—with descriptions of the unmistakable mark which these mass graves represent of history's tyrants, the legacy of this regime, and the shame of anyone among us who would have tolerated it for one day longer than we knew it to be a fact.

As I listen to some of the candidates and colleagues and critics, it leads me to ask: Are we deaf in some way to the plight of the Iraqi people based on the facts that we know? Is the suffering of the Iraqi people—when we think about those graves or about the thousands of Kurdish individuals upon whom Saddam Hussein inflicted chemical weapons of mass destruction—it makes you ask is our moral purpose as a Nation so diminished that we do not see the justice of our own cause, that larger purpose, that sense of liberty and fighting for liberty that Prime Minister Tony Blair talked about today?

We heard in this body all of the evidence on Iraq before the war. We had the opportunity, through open hearings, closed hearings, classified information. I clearly was convinced. I had the opportunity to sit in my office, which is just probably 200 steps from where I am speaking now, and listen to about 12 Kurdish physicians who came to visit the United States. They came to see me because I am a physician. They simply laid it out to me that they took care of thousands of people—these are the physicians who took care of thousands of people who were poisoned with chemical weapons from Saddam Hussein—thousands of people, not 10 or 15, but thousands. They talked about the peeling of skin. They talked about the suffocation. They talked about people dying before their eyes.

They also told me they are still taking care of those people who survived, although we know scores of thousands of people died from these chemical weapons imposed or inflicted upon them by Saddam Hussein; but, indeed, these doctors I talked to in my office months ago are still treating some of the victims from that atrocity. Yet, at the same time, we have heard discussions this past week with some questioning whether this tyrant was capable of possessing and using such weapons again.

There seems to be a disconnect over much of the discussion of the last week. This week people said: After all, he declared himself free of these weapons.

But as we all know, he denied again and again—and it was part of the reso-

lution—those inspectors the opportunity to prove him wrong. So I am perplexed and bewildered by those who would accept the word of an inhumane, callous, mass murderer at this point in time, and whose word they seem to even be holding higher than that of the President of the United States.

It is a travesty to me. It is nonsense, and it really comes back to that basic question: Is there anybody in this Chamber who would honestly dispute that Saddam Hussein possessed weapons of mass destruction; that he used weapons of mass destruction; and that he never abandoned that course? I really don't think so.

We can take it a step further. Is there anybody in this Chamber who believes that we would have been all, in some way, better off with Saddam Hussein still in power? The answer is clear. Indeed, 9 months ago, 77 Members of this Chamber voted to authorize the President to use force in Iraq. In that resolution, we enumerated very clearly the many reasons.

First, the Senate found—this was 9 months ago—that Saddam Hussein was developing, did possess, and had used weapons of mass destruction. That is No. 1.

No. 2, 9 months ago, based on the information that was available to us and the briefings that we had, the Senate found that Iraq invaded Kuwait in 1990. And after being driven back by an international coalition, Saddam Hussein unequivocally agreed to eliminate all weapons of mass destruction and to prove so to the world community.

No. 3, the Senate found that Saddam, in fact, used denial, used deception, and used harassment to thwart efforts by international inspectors to prove compliance with those terms.

Fourth, the Senate reiterated its finding from 1998 legislation that Saddam Hussein had a continuing program to develop weapons of mass destruction in material breach of his terms of surrender in the gulf war.

Finally, and fifth, the Senate listed the myriad of United Nations Security Council resolutions reaching the same conclusions that the Senate had reached.

I wish to stress once again, because it is important to understand, this was 9 months ago, and 77 Members of this Chamber voted with this understanding. All of these findings were made on thorough intelligence briefings. They were considered judgments by Members of this body, all separate from any report about a uranium purchase from Africa, which has tended to be the focus of people over the last week.

On October 9, 1998, 2 years before the current President was elected, Senators then wrote to President Bill Clinton demanding military action against Saddam Hussein. This is 1998. They wrote:

We urge you to take necessary actions (including if, appropriate, air and missile strikes) to respond effectively to the threat

posed by Iraq's refusal to end its weapons of mass destruction programs.

This was followed by a December 17, 1998, letter calling for the use of military force again by then-President Clinton "to compel compliance or to destroy to the best of our ability Iraq's capability to build and deliver weapons of mass destruction and threaten its neighbors."

What is incredible to me now is that some of those very same people who signed those letters now are questioning whether an honest case was made by President Bush that Iraq had weapons of mass destruction. The very same people signed those letters. So I am moved to ask, What reversed the conclusion that they had so confidently reached 5 years ago? Was it in some way a change of facts or was it a change just in the Presidency?

Yes, my implication is what we have seen over the last week is a matter of politics, and I think, again, of the Prime Minister's visit today and his message of what this war has meant to free people, yes, in Iraq, but around the world. All of this is a serious matter. It demands our attention. I say that because as I speak, we all know that American soldiers, British soldiers, coalition soldiers stand in harm's way. We all sort of stand in fear of turning on the television at night, in the morning, or reading in the paper once again of tragic casualties.

All of that speaks to me that we must redouble our efforts against the small but determined enemy to stabilize Iraq. A democratic and prosperous Iraq, just as the Prime Minister said today, will not only change the Middle East, it will change the world for the better. It is a worthy cause of our Nation and one that we simply will not—will not—permit to fail.

Mr. President, I will, in the interest of time, probably have more to say about this next week. This is the nature of the debate. Again, I express my appreciation on behalf of the Senate to the Prime Minister for joining us today.

THE BUDGET

Mr. CONRAD. Mr. President, the day before yesterday we saw an announcement of the biggest deficits in the history of the country this after the President told us just 2 years ago that we did not need to worry about future deficits; in fact, there were going to be massive surpluses. He said in a speech on March 27, 2001, when he was campaigning for a massive tax cut:

Tax relief is central to my plan to encourage economic growth, and we can proceed with tax relief without fear of budget deficits, even if the economy softens.

This is what the President told the country. It has proved to be totally wrong. These are now the biggest deficits we have ever had in the history of the country, \$455 billion, and that understates how big these deficits really are. Just using that number, which the

administration has put out, is by far the biggest deficit we have ever had. The previous record was \$290 billion. So this is a very large deficit by any measurement.

The President then told us the next year, after it became clear that his earlier statements were not correct, that:

... our budget will run a deficit that will be small and short-term ...

Well, that has proved to be wrong again. These deficits are not small, and they are not short term. In fact, these deficits are of record size and we see no end to them. By the administration's own analysis now, we see no end to these deficits.

This chart shows the portrayal of deficits over the last 30 years, and one can see that the deficit this year is the biggest of all time. Look at the trajectory, which is truly stunning. We have gone from surpluses that we ran for a 3- or 4-year period to this extraordinary rise of the deficit. Still the administration is trying to downplay its significance.

Earlier this year, the then-OMB Director said:

I think ... that at today's levels of 2 to 3 percent of GDP—

Or gross domestic product—

these are modest and manageable deficits.

The current OMB Director has continued with that same theme. He said in June:

Our current deficit, as measured as a percentage of gross domestic product, is not large by historical standards and is manageable within the overall context of our economy. Let's examine the claim that these are modest deficits as a percentage of our gross domestic product.

This chart looks at the record of deficits as a percentage of our gross domestic product. This is what it shows. If one takes out Social Security—which one should because it should not be included in the calculations of the operating expenses of the Federal Government—what one sees is, as a percentage of the gross domestic product, this is the second largest deficit in 57 years.

I was reading the Washington Post this morning. The writer of that story said the White House makes a good point that the deficit is 4.2 percent of the gross domestic product and we have had deficits that large before.

What that neglects to take into account is the fact in 1983 there were no Social Security funds to raid. This year, the administration is not only running a \$455 billion deficit but on top of that they are taking \$154 billion of Social Security money. So on an operating deficit basis the deficit is over \$600 billion; that is 5.7 percent of gross domestic product. There were no Social Security funds back in 1983. There were no surplus funds to take. In a fair comparison, this is the second biggest deficit on a gross domestic product basis in 57 years.

Previously, the President has acknowledged the importance of paying down the debt, of not running deficits. In fact, in 2001 he said:

... my budget pays down a record amount of national debt. We will pay off \$2 trillion of debt over the next decade. That will be the largest debt reduction of any country, ever. Future generations shouldn't be forced to pay back money that we have borrowed. We owe this kind of responsibility to our children and grandchildren.

Madam President, now we can check the record, words versus reality. The President said he was going to pay down the debt so there would be almost nothing left by 2008. Now we see, with this latest report from the President's own administration, instead of almost no publicly held debt by 2008, we will have \$5.5 trillion of debt. When is this administration going to admit its plan is not working? How much more evidence will they have to have before they acknowledge this whole plan is an absolute, abject failure? This President has told us repeatedly there weren't going to be any deficits. Then when it became clear there are, he said they were going to be small. Now that it is obviously apparent these deficits are massive and large, they say, don't worry, we are going to reduce them in the future.

None of it is true. These deficits are massive. They are long lasting. And we have not seen anything yet.

This is a chart that shows what has happened to revenue as a percentage of gross domestic product. What this shows is that revenue this year, according to the administration's own projections, is going to be the lowest since 1959. We have a revenue problem and the President's answer is, cut the revenue some more. Let me repeat that: We are going to have the lowest revenue as a share of gross domestic product since 1959 and the President's answer is, cut the revenue some more, not cut the spending to match the reduced revenues. He is advocating increasing spending. But cut the revenue some more, make these deficits even bigger, does that make any sense to people listening? It makes no sense to me.

We look at the 2003 transformation from the administration telling us there would be surpluses to now record deficits; 77 percent of the reversal is on the revenue side of the equation; 23 percent is spending.

Friends, we have a revenue problem. We also have a spending problem. But the revenue problem dwarfs the spending side of the equation.

When we look at the spending side of the equation, this is what we see in terms of the increases in discretionary spending that have occurred over the last 3 years. Where has the money gone? In 2001, ninety-five percent of the increase went to defense, homeland security, and response to September 11. In fact, the lion's share, the green bar on the chart, is defense: 73 percent of the increase in spending that has occurred is because of defense; 15 percent is homeland security; 7 percent is New York City reconstruction and airline relief as a result of the attack of September 11.